



FEDERAL ELECTION COMMISSION
Washington, DC 20463

April 11, 2007

BY FACSIMILE AND FIRST CLASS MAIL
(202) 659-5249

William B. Canfield, Esq.
Williams & Jensen, PLLC
1155 21st Street, N.W. Suite 300
Washington, D.C. 20036

RE: MUR 5645
America's Foundation and
Meredith G. Kelley, in her official
capacity as treasurer

Dear Mr. Canfield:

On March 20, 2007, the Federal Election Commission accepted the signed conciliation agreement submitted on your clients' behalf in settlement of violations of 2 U.S.C. §§ 441b(a) and 434(b)(3)(A), provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective

27044154688

MUR 5645
William B. Canfield, Esq.
Page 2

date, and that the disgorgement payments are due after that as scheduled in Paragraph VII of the agreement. If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Mark Allen
Attorney

Enclosure
Conciliation Agreement

27044154689

1
2 **BEFORE THE FEDERAL ELECTION COMMISSION**

3
4 In the Matter of)
5) MUR 5645
6 America's Foundation and Meredith G. Kelley,)
7 in her official capacity as treasurer)

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

2001 MAR -6 A 11:54

8
9 **CONCILIATION AGREEMENT**

10
11 | This matter was generated by information ascertained by the Commission in the normal
12 course of carrying out its supervisory responsibilities. The Commission found reason to believe
13 that America's Foundation and its treasurer ("Respondents"), violated 2 U.S.C. §§ 441b(a) and
14 434(b)(3)(A).¹

15 NOW, THEREFORE, the Commission and the Respondents, having participated in
16 informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree
17 as follows:

18 I. The Commission has jurisdiction over the Respondents and the subject matter of
19 this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.
20 § 437g(a)(4)(A)(i).

21 II. Respondents have had a reasonable opportunity to demonstrate that no action
22 should be taken in this matter.

23 III. Respondents enter voluntarily into this agreement with the Commission.

24 IV. The pertinent facts in this matter are as follows:
25

¹ The events that are the subject of this complaint occurred prior to November 6, 2002, the effective date of the Bipartisan Campaign Reform Act of 2002 ("BCRA"), Pub L 107-155, 116 Stat 81 (2002) Therefore, unless noted to the contrary, all references to statutes and regulations in this agreement pertain to those that were in effect prior to the implementation of BCRA

27044154690

- 1 1. America's Foundation is a political committee within the meaning of
2 2 U.S.C. § 431(4) and is the leadership PAC of Senator Rick Santorum.
- 3 2. Meredith G. Kelley is the treasurer of America's Foundation.²
- 4 3. Highmark Inc. ("Highmark") is a corporation within the meaning of 2 U.S.C.
5 § 441b(a).
- 6 4. Bruce Hironimus was Vice President for Government Affairs at Highmark
7 during the time of the actions described in this agreement.
- 8 5. The Federal Election Campaign Act of 1971, as amended (the "Act"),
9 prohibits a corporation from making contributions in connection with any election for federal
10 office. 2 U.S.C. § 441b(a). The Act also prohibits any candidate, political committee or other
11 persons from knowingly accepting or receiving any contribution prohibited by 2 U.S.C.
12 § 441b(a). *Id.* The term "contribution" includes "any direct or indirect payment, distribution,
13 loan, advance, deposit, or gift of money, or any services, or anything of value" to any candidate
14 or campaign committee, in connection with a federal election. 2 U.S.C. § 441b(b)(2).
- 15 6. The treasurer of a political committee is responsible for itemizing any
16 contribution from a person (other than a political committee) if the contribution exceeds \$200 per
17 election cycle either by itself or when aggregated with other contributions from the same
18 contributor. 2 U.S.C. § 434(b)(3)(A).
- 19
20

² On March 20, 2006, America's Foundation filed an amended Statement of Organization reflecting Meredith G Kelley as the new treasurer Barbara W Bonfiglio, the former treasurer, was treasurer during the period in question

1 7. Bruce Hironimus organized and hosted a golf tournament fundraising event at
2 the Country Club of Hershey, Pennsylvania, on May 17, 2002, supporting America's Foundation.
3 Bruce Hironimus's contact at America's Foundation was Nadine Maenza. Senator Santorum
4 attended the event, which raised approximately \$40,000 to \$50,000 in contributions to America's
5 Foundation.

6 8. Highmark, through Bruce Hironimus, used \$14,604.45 in corporate funds to
7 pay all the costs related to the May 17, 2002 event such as greens fees, golf carts, meals,
8 beverages, prizes, handouts and invitations.

9 9. Respondents received in-kind corporate contributions from Highmark totaling
10 \$14,604.45.

11 10. Respondents did not disclose the receipt of contributions from Highmark.

12 V. 1. Respondents received in-kind corporate contributions from Highmark Inc. in
13 violation of 2 U.S.C. § 441b(a).

14 2. Respondents failed to report the receipt of contributions from Highmark Inc.
15 in violation of 2 U.S.C. § 434(b)(3)(A).

16 3. Respondents will cease and desist from violating 2 U.S.C. §§ 441b(a) and
17 434(b)(3)(A).

18 VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in
19 the amount of Seven Thousand Five Hundred Dollars (\$7,500), pursuant to 2 U.S.C.
20 § 437g(a)(5)(A), within 30 days from the date this agreement becomes effective.

1 2. Respondents will amend their disclosure reports to indicate the receipt of
2 the contributions from Highmark Inc.

3 VII. Respondents will disgorge the contributions from Highmark Inc., by check made
4 out to the United States Treasury, and provided to the Commission, as follows:

5 1. An initial installment payment of \$5,000 shall be paid within 60 days from the
6 date this agreement becomes effective;

7 2. A second installment payment of \$5,000 shall be paid within 90 days from the
8 date this agreement becomes effective;

9 3. A final installment payment of \$4,604.45 shall be paid within 120 days from
10 the date this agreement becomes effective;

11 4. In the event that any installment payment is not received by the Commission
12 by the fifth day after it becomes due, the Commission may, at its discretion, accelerate the
13 remaining payments and cause the entire amount to become due upon ten days written notice to
14 the Respondents. Failure by the Commission to accelerate the payments with regard to any
15 overdue installment shall not be construed as a waiver of its right to do so with regard to future
16 overdue installments.

17 VIII. The Commission, on request of anyone filing a complaint under 2 U.S.C.
18 § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance
19 with this agreement. If the Commission believes that this agreement or any requirement thereof
20 has been violated, it may institute a civil action for relief in the United States District Court for
21 the District of Columbia.

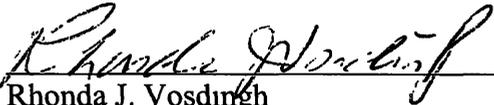
27044154693

1 IX. This agreement shall become effective as of the date that all parties hereto have
2 executed same and the Commission has approved the entire agreement.

3 X. This Conciliation Agreement constitutes the entire agreement between the parties
4 on the matters raised herein, and no other statement, promise, or agreement, either written or
5 oral, made by either party or by agents of either party, that is not contained in this written
6 agreement shall be enforceable.

7 FOR THE COMMISSION:
8
9

10 Thomasenia P. Duncan
11 Acting General Counsel
12

13
14 BY: 
15 Rhonda J. Vosdingh
16 Associate General Counsel
17 for Enforcement
18
19

4/11/07
Date

20 FOR THE RESPONDENTS:
21

22 
23
24 (Name)
25 (Position) COUSSEL TO AMERICA'S FOUNDATION
MEREDITH G. KELLEY, TREASURER

March 5, 2007
Date

27044154694